PAYOFF WORKSHEET

Post-Payoff Escrow Refund Reconciliation Sheet

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RECONCILE PAYOFF

Reconcile the remaining escrow balance, any final tax or insurance posting, the refund amount, and the later short-year statement after a mortgage is paid in full.

WHEN TO USE	FEDERAL / PRIMARY REFERENCE
Reconcile the remaining escrow balance, any final tax or insurance posting, the refund amount, and the later short-year statement after a mortgage is paid in full.	12 CFR § 1024.34(b) · 12 CFR § 1024.17(i)

Federal baseline to check

☐ After a mortgage is paid in full, a servicer generally must return remaining escrow funds within 20 business days, excluding Saturdays, Sundays, and legal public holidays.

☐ The servicer may net remaining escrow against the outstanding mortgage balance, and in limited new-loan circumstances may credit funds to a new escrow account if the borrower agrees.

☐ A separate short-year escrow statement is generally due within 60 days after the servicer receives payoff funds.

BORROWER AND LOAN

Borrower name ______________________________	Property address ______________________________
Loan/account number ______________________________	Servicer name ______________________________

Payoff date

Servicer received payoff funds: __________ 20-business-day refund checkpoint: __________

Notes: ____

Escrow balance at cutoff

Escrow before final entries: $__________ Amount netted to payoff (if any): $__________

Notes: ____

Post-payoff entries

Final tax/insurance/reversal/new-escrow credit: ____________________ $__________ on __________

Notes: ____

Refund received

Refund: $__________ Issued/received: __________ Method: Check / ACH / Other

Notes: ____

Short-year statement

60-calendar-day short-year statement checkpoint: __________ Received: __________

Notes: ____

Attachment checklist

☐ Payoff statement

☐ Final mortgage statement

☐ Escrow transaction history around payoff

☐ Refund check/ACH record

☐ Short-year statement when received

☐ Copy of this completed template retained for your records

☐ Mailing / delivery confirmation retained if sent formally

Use notes

☐ Use the date the servicer received payoff funds as the anchor, not the closing date or the date you requested a payoff quote.

☐ Reconcile final tax/insurance disbursements and any amount netted against the payoff before assuming the pre-payoff escrow balance equals the expected refund.

☐ Track the refund and short-year statement as two separate obligations with different deadlines; receiving one does not prove the other was completed.

☐ Keep a complete copy of the completed template and supporting records; send copies rather than irreplaceable originals when copies are sufficient.

PRIMARY SOURCES TO CHECK

12 CFR § 1024.34(b) • 12 CFR § 1024.17(i)

Official links: https://www.consumerfinance.gov/rules-policy/regulations/1024/34/ | https://www.consumerfinance.gov/rules-policy/regulations/1024/17/